

Senate Bill 491

By: Senators Seabaugh of the 28th and Hill of the 4th

A BILL TO BE ENTITLED
AN ACT

To amend Title 47 of the Official Code of Georgia Annotated, relating to retirement and pensions, so as to provide that the board of trustees of the Employees' Retirement System of Georgia shall establish the employee contribution for group term life insurance; for members of the Employees' Retirement System of Georgia, the Georgia Legislative Retirement System, and the Georgia Judicial Retirement System, to provide that employee contribution may be 0 percent but shall not be greater than one-fourth of 1 percent of the member's earnable compensation; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

Title 47 of the Official Code of Georgia Annotated, relating to retirement and pensions, is amended by revising subsection (c) of Code Section 47-2-54, relating to payment of state employee contributions on behalf of employees, inclusion of contributions in compensation for determining benefits, and adjustment in compensation of state employees, as follows:

"(c) Of the one-half of 1 percent deducted from the earnable compensation of members, one-quarter of 1 percent shall be credited to each member's account in the annuity savings fund, and ~~the remaining one-quarter of 1 percent~~ an additional amount established by the board of trustees, which may be 0 percent but not to exceed one-quarter of 1 percent of the member's earnable compensation, shall be credited to the group term life insurance fund, as provided in Code Section 47-19-10, in lieu of the deduction required under Code Section 47-2-128. If a member is not covered by group term life insurance, the entire ~~one-half of 1 percent~~ amount shall be deducted from his earnable compensation shall be credited to his individual account in the annuity savings fund."

SECTION 2.

Said title is further amended by revising paragraph (1) of subsection (d) of Code Section 47-2-128, relating to survivors benefit coverage, fund, and contributions, as follows:

"(1) After notice from the board of trustees, each employer shall cause to be deducted from the earnable compensation of each member during every payroll period the additional amount established by the board of trustees, which may be 0 percent but not to exceed one-half of 1 percent of the member's earnable compensation. Such deductions shall be made under the same conditions as set forth in paragraph (2) of subsection (a) of Code Section 47-2-51 and, except for those members who are not eligible for survivors benefits, that amount shall be the member's payment for such coverage;"

SECTION 3.

Said title is further amended by revising subsection (c) of Code Section 47-2-334, relating to service retirement allowance, calculation, employee membership contributions, employer contributions, optional membership, conditions, and construction of provision, as follows:

“(c) From and after July 1, 1990, every member subject to this Code section shall contribute employee membership contributions in an amount not less than 1 percent nor greater than 1 1/2 percent of earnable compensation, which shall be deducted by each employer from the earnable compensation of each member for each and every payroll period and paid monthly to the board of trustees; provided, however, that any reduction in such percentage shall be based upon the recommendation of the actuary of the board of trustees, the maintenance of the actuarial soundness of the fund in accordance with the standards provided in Code Section 47-20-10 or such higher standards as may be adopted by the board, and such other factors as the board deems relevant. Of the percentage deducted from the earnable compensation of members, an amount set by the board of trustees, which may be 0 percent but not more than one-fourth of 1 percent shall be credited to the group term life insurance fund in lieu of any other deduction therefor, as provided in Code Section 47-19-10, and the remaining portion shall be credited to the individual accounts of the members in the annuity savings fund. In the event a member is not covered by group term life insurance, the entire amount deducted from the member’s earnable compensation shall be credited to the member’s individual account in the annuity savings fund.”

SECTION 4.

All laws and parts of laws in conflict with this Act are repealed.